



State of Washington  
Department of  
Labor and Industries

# PROVIDER BULLETIN

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## THIS ISSUE

### Payment Policy for Nurse Case Management Services

#### TO:

Physicians  
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Chiropractors  
Clinics  
Head Injury Programs  
Nurse Case Managers  
Self-Insured Employers  
Third Party Administrators  
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902-6500 in Olympia

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## PURPOSE

**Effective February 17, 1998**, the Department of Labor and Industries (State Fund) is updating its fee schedule and defining payment policies for nurse case management (NCM) services. This bulletin describes the new authorization requirements and billing instructions.

## KEY CHANGES

**Effective February 17, 1998, the Department of Labor and Industries (State Fund) and Self-Insured employers or their service company will pay:**

- A rate of \$65.00 per hour for professional time for NCM services.
- A rate of \$32.00 per hour for travel/wait time for NCM services.

**For State Fund claims, nurse case management will be capped as follows:**

- 50 hours (includes professional and travel wait/time) with the option of extending the amount by an additional 25 hours after staffing with nurse case manager, claims manager, and occupational nurse consultant;
- Further extensions contingent upon review and approval by both the claims unit and the occupational nurse consultant supervisors.

**This policy applies to in-state (Washington, Oregon, and Idaho) NCM Services.**

# OVERVIEW OF NURSE CASE MANAGEMENT

## What is nurse case management (NCM)?

Nurse case management is a step-by-step, collaborative process used to meet injured or ill worker's health care and rehabilitation needs. Provided by registered nurses, case management is intended to facilitate and coordinate services to insure workers receive timely, quality medical care, as well as optimum management of medical resources.

The nurse case manager works with the attending doctor, injured worker, allied health care personnel, and insurance staff to assist with coordination of the prescribed treatment plan. They organize and facilitate the timely receipt of medical and health care resources. Nurse case managers may identify potential barriers to medical and/or functional recovery of the injured worker. They communicate this information to the attending doctor, to develop a plan for resolving or addressing these concerns.

## Who may receive nurse case management services?

Selection of injured workers for NCM services may be based on the following diagnoses and conditions:

1. Primary injury related catastrophic diagnosis:

Spinal cord injury with paralysis

Hospitalized open and closed head injuries

Hospitalized burns

Multiple trauma/fractures

Major degloving injuries

Amputated limbs

2. Medically complex conditions:

Secondary diagnoses complicating or prolonging recovery from the primary industrial injury, e.g.,

Heart disease

Drug/alcohol dependency

Cancer

Diabetes mellitus

Non-healing wound/wound infection

Neurological disorders (MS, CP)

Developing chronic pain syndrome

Psychiatric disorders

## What is changing?

The State Fund has offered NCM services through a contract since September 1993. The State Fund recently completed an evaluation of the NCM program. As a result of the evaluation and subsequent management decisions, the State Fund will terminate its contracted program, effective January 31, 1998. The State Fund will continue to purchase NCM services from sole proprietors or businesses who have provider numbers with the department and provide NCM services, effective February 17, 1998. New referrals to NCM may be accepted on or after this date.

# AUTHORIZATION REQUIREMENTS

## How does a person make a referral to nurse case management?

All requests for NCM services require prior authorization by the State Fund or self-insurer. For State Fund claims, the claims manager and occupational nurse consultant will decide on the appropriateness of the referral,

help define goals for services, and monitor services once a referral is made. Attending doctors who believe an injured worker would benefit from NCM services should contact the State Fund or self-insured claims manager.

#### Are their limits on case management services?

Yes. For State Fund claims, NCM services will now be capped at no more than 50 hours of service (includes both professional and travel/wait time). The State Fund may extend the amount to an additional 25 hours of NCM after a staffing conference with the nurse case manager, claims manager, and occupational nurse consultant. Further extensions will be contingent upon having the case reviewed and approved by the claims unit and occupational nurse consultant supervisors.

#### How does the nurse case manager obtain extensions on services?

It is the nurse case manager's responsibility to monitor their hours against the established caps and obtain prior approval for the extensions, if needed. Nurse case managers are advised to obtain written approval from claims managers for these extensions. Contact with the State Fund occupational nurse consultant can help define further NCM services needed.

## BILLING INSTRUCTIONS

#### What are the new billing codes and rates for nurse case management services?

Six new local codes will be used to reimburse NCM services. These replace all old billing codes. The following table provides a comparison of both old and new billing codes. New maximum allowable fees are also noted.

OLD-BILLING CODES (now called case note codes)	NEW BILLING CODES	MAXIMUM ALLOWABLE FEES
PCW, PCD, PCE, PCV, PCP, and PCO	1220M - Phone Calls per unit	\$6.50 per unit*
VW, VD, VE, VV, VP, and VO	1221M - Visits per unit	\$6.50 per unit
CP, FRV, COR, RE, RW, RR, and TC	1222M - Case Planning per unit	\$6.50 per unit
TR, WA	1223M - Travel/Wait per unit	\$3.20 per unit
TR	1224M - Mileage per mile	\$.315 per mile
PCW, PCD, PCE, PCV, PCP, PCO, RR, and TR	1225M - Expenses at cost (includes parking, ferry, toll fees, lodging and airfare)	At cost or the state per diem rate (lodging)

\* One unit equals 6 minutes of time. Per unit amounts are multiplied by 10 to equal the rate per hour.

#### What fee should a nurse case manager bill the department or self-insurer?

Nurse case managers must bill their usual and customary fee when providing services to injured workers. Fees per hour must be converted to fees per unit for billing purposes. Mileage will be paid at the Washington State rate for mileage reimbursement. For expenses, the case manager must bill the actual cost of the expenses.

**A nurse case manager may not charge a worker the difference between the fee schedule maximum or contracted fee and their usual and customary charge.**

**For more information, refer to:**

WAC 296-20-010, section (2)

WAC 296-20-020 for rules regarding provider's acceptance of rules and fees.

**How do you bill for nurse case management services?**

For State Fund billing, instructions for completing a bill will be sent to the nurse case manager at the time the provider number is processed. Providers for self-insured injured workers should contact the self-insurer for instructions regarding billing.

**When will the new rates be effective?**

For State Fund claims, the new rates will be effective for services on or after February 2, 1998. These new rates will be effective for new referrals for services on or after February 17, 1998 for both State Fund and self-insured claims.

**Will billing requirements change?**

Yes. Services provided for State Fund claims on or after February 2, 1998 will be paid by the Medical Information and Payment System (MIPS) using the new billing codes and the established rates. *The Nurse Case Management Billing Instructions* booklet provides directions to nurse case managers on completing a bill. This booklet will be provided to nurse case managers when they receive a provider number from the department. If you have received a provider number, but did not receive billing instructions, call the department's Provider Toll Free line to obtain the booklet. The state fund Provider Toll Free line is 1-800-848-0811.

**How does someone find out information about the claim or bills?**

The department has two toll free numbers that providers may use to obtain information. Dialing **1-800-831-5227** will access the Interactive Voice Response (IVR) system. The IVR allows the provider to obtain claim specific information, such as accepted conditions, hospital authorizations, claim status, bill status, medical and vocational procedures, and drug restrictions.

The Provider Hotline at **1-800-848-0811**, is staffed from 8:00 a.m. to 5:00 p.m. Monday through Friday by State Fund staff who assist providers in answering their billing questions and obtaining authorization from claim managers.

Injured Workers with questions or concerns about their claim should be directed to call **1-800-LISTENS**.

## What expenses will be covered?

### For State Fund claims:

- Transportation, including parking, ferry, toll fees, and cab. Mileage is reimbursed at \$.315 per mile or the current Washington state rate for mileage reimbursement.
- Meals and lodging required outside normal business hours with prior claims manager approval and at the Washington state per diem rate in effect at the time for the area.
- Airfare with prior approval from the claims manager.
- Mileage greater than 150 miles round trip requires prior approval from the claims manager.
- Fees for obtaining medical records, reports or evaluations per request of department and at no more than the maximum allowable rate of .32 per page.

## What expenses will not be covered?

### For State Fund claims:

- Activities associated with nurse case manager training, e.g., training on office policies and procedures, including report writing and billing.
- Supervisory activity such as supervisor-nurse case manager visits, case reviews or conferences between supervisor and nurse case manager.
- Postage, printing or photocopying costs (with the exception of medical records per request of department). See above for explanation.
- Telephone expenses including unanswered phone calls, long-distance phone calls, and facsimile.
- Time spent on any clerical activity, including processing a referral, file “set up”, typing, copying, mailing, distributing, filing, invoice preparation, record keeping, delivering or picking up mail.
- Travel time to a post office or a fax machine.
- Wait time exceeding 2 hours.
- Fees related to legal work, e.g., deposition, testimony, etc. Legal fees may be charged to the requesting party, but not the claim. Contact the requesting party regarding how legal services are billed.
- Any other administrative costs not specifically mentioned above.

## How often should the nurse case manager submit bills?

Bills shall be submitted every 30 days and should reflect the 30-day period from point of referral to NCM services and every 30 days thereafter until the conclusion of services. Nurse case management reports should not be attached to the itemized bill, but rather sent to the address listed in the next section. Bills should be sent to the following address.

### For State Fund claims, send bills to:

Department of Labor and Industries  
PO Box 44267  
Olympia, Washington 98504-4267

**For self-insured claims, send bills to the employer or their service company.**

## DOCUMENTATION AND RECORD KEEPING REQUIREMENTS

### What are the nurse case manager's responsibilities in keeping case management records?

It is the State Fund's expectation that a case record be created and maintained on each claim. The case record shall present a chronological history of the injured worker's progress in nurse case management services. A case manager's services can be denied or reduced if the required documentation is not provided in their case notes or if the service does not match the procedure code billed.

#### **Case notes shall be written when a service is given and shall specify:**

- 1) When a service was provided,
- 2) What type of service was provided, using case note codes,
- 3) A description of the service provided including subjective and objective data, nurse case manager interventions, outcome, and future plan, if applicable, and
- 4) How much time was used.

Copies of reports, correspondence, and expenses shall be maintained in the case record.

Case managers should continue to use the old billing codes (*now called case note codes*) with their case notes. Case note codes and case note documentation instructions are included in the *Nurse Case Management Billing Instructions* booklet.

### Are monthly reports required?

Yes. For State Fund claims, NCM reports shall be completed every 30 days and written according to the standard State Fund format. Payment for reports will be restricted to up to 2 hours for initial reports and up to 1 hour for progress and closure reports. The standard report format will be sent to you with your *Nurse Case Management Billing Instructions* booklet. Reports may be submitted anytime and should reflect the 30-day period from point of referral and every 30 days thereafter until the conclusion of services. The report should not be attached to the bill, but rather sent to the following address.

#### **For State Fund claims, send reports to:**

Department of Labor and Industries  
PO Box 44291  
Olympia, Washington 98504-4291

**For self-insured claims, send reports to the employer or their service company.**

### How long must a nurse case manager keep case records for audit purposes?

Providers are required to keep all records necessary for the State Fund to audit the provision of services. Case records must be kept for a minimum of five (5) years.

See WAC 296-20-02005 Keeping of Records.